

VZCZCXRO9627  
RR RUEHBZ RUEH DU RUEHJO RUEHMR RUEHRN  
DE RUEHSB #0543/01 1701501  
ZNR UUUUU ZZH  
R 191501Z JUN 07  
FM AMEMBASSY HARARE  
TO RUEHC/SECSTATE WASHDC 1613  
INFO RUCNSAD/SOUTHERN AFRICAN DEVELOPMENT COMMUNITY  
RUEHUJA/AMEMBASSY ABUJA 1632  
RUEHAR/AMEMBASSY ACCRA 1499  
RUEHDS/AMEMBASSY ADDIS ABABA 1636  
RUEHBY/AMEMBASSY CANBERRA 0902  
RUEHDK/AMEMBASSY DAKAR 1264  
RUEHKM/AMEMBASSY KAMPALA 1692  
RUEHNR/AMEMBASSY NAIROBI 4104  
RUEHFR/AMEMBASSY PARIS 1461  
RUEHRO/AMEMBASSY ROME 2122  
RUEHGV/USMISSION GENEVA 0761  
RHEHAAA/NSC WASHDC  
RUCNDT/USMISSION USUN NEW YORK 1853  
RHMFISS/JOINT STAFF WASHDC  
RUEHC/DEPT OF LABOR WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RHEFDIA/DIA WASHDC//DHO-7//  
RUCPDO/DEPT OF COMMERCE WASHDC  
RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK//DOOC/ECMO/CC/DAO/DOB/DOI//  
RUEPGBA/CDR USEUCOM INTEL VAIHINGEN GE//ECJ23-CH/ECJ5M

UNCLAS SECTION 01 OF 03 HARARE 000543

SIPDIS

SIPDIS  
AF/S FOR S. HILL  
MSC FOR SENIOR AFRICA DIRECTOR B. PITTMAN  
STATE PASS TO USAID FOR L. DOBBINS AND E. LOKEN  
TREASURY FOR J RALYEA AND T. RAND  
COMMERCE FOR BECKY ERKUL  
ADDIS ABABA FOR USAU  
ADDIS ABABA FOR ACSS  
EB/IFD/OIA FOR HEATHER GOETHERT  
L/CID FOR SAN MCDONALD

E.O. 12958: N/A  
TAGS: [CASC](#) [EINV](#) [KIDE](#) [OPIC](#) [PGOV](#)  
SUBJECT: 2007 REPORT ON INVESTMENT DISPUTES AND EXPROPRIATION  
CLAIMS - ZIMABAWAWE

REF: A) STATE 55422

B) 06HARARE0972

¶1. The US Government is aware of eight (8) claims of US persons which may be outstanding against the Government of Zimbabwe (GOZ). All eight claims arise out of the GOZ's Land Resettlement Program, which commenced in 2000. The general pace of land seizure has slowed, as very few non-indigenous commercial farmers are left on their properties. Nevertheless threats of seizure by individuals and government officials are unabated and disruptions to the operation of the remaining non-indigenous commercial farmers are frequent.

¶2. Under its continuing Land Resettlement Program, the GOZ has targeted almost all farm or wildlife property owned by non-indigenous landowners for compulsory acquisition. The GOZ has consistently maintained that no compensation will be made for land itself, but that compensation will be made for improvements to the property. However, to date, the GOZ has not compensated any American claimants for either acquired property or improvements to property. Disruptions posed by land reform and the economy's generally chaotic conditions complicate meaningful valuation of the land or of any improvements made. However, the values of the eight American citizen claimants properties at issue range from \$100,000 to more than \$2,000,000.

¶3. In 2005, Parliament amended the constitution to grant title to the government of all agricultural land acquired in the past under the land reform program and any agricultural land that may be

acquired in the future. The amendment removed the right of landowners, whose land has been acquired, to challenge the acquisition in court. There has been no progress either on the ground or in the courts to resolve compensation issues for the American-owned properties. Because of judicial and political chaos during the land seizures, it is difficult to state precisely when most of the eight landowners were legally dispossessed. Therefore, the dates of expropriation offered below are approximations only.

¶4. All eight properties have received either Preliminary or Final Notices of Acquisition from the GOZ. Most of the American citizens affected have not asked the Embassy to intervene beyond raising the issue of compensation with appropriate GOZ officials in our normal course of meetings and through diplomatic notes.

¶5. a. Claimant A  
b. 2002

c. Claimant A reported that his property had been invaded by approximately eight war veterans, and that a prosperous and connected Zimbabwean was grazing his cattle on the property. Approximately 60 saibwes had been released from a grazing pen and had subsequently disappeared - either escaped from the property or poached. Post has not had contact with Claimant A in the past year.

¶6. a. Claimant B  
b. 2002

c. Claimant B had an 85-hectare flower-exporting farm that was listed for compulsory acquisition by the GOZ under an initial notice of acquisition (Section 5 notice). In 2004 the Mashonaland East Governor signed a "delisting" form, but the Local Government and Land Ministries refused to assent. Claimant B then attempted to sell his property to the nephew of the Chief Justice of Zimbabwe's

HARARE 00000543 002 OF 003

Supreme Court, but the sale fell through as the nephew reneged on payment. Claimant B is off the farm, and the Commander of the Zimbabwe Defence Forces, General Constantine Chiwenga, currently farms the land. Post has not had contact with the claimant in the past year.

¶7. a. Claimant C  
b. 2003

c. Claimant C received a final notice of acquisition (Section 8 notice) in January 2003. Claimant C purchased the 7,618-hectare property in 1985 with Zimbabwe Investment Center (ZIC) certificates to run a hunting and photographic safari business. The property is part of a 17-farm, 80,000 hectare private wildlife conservancy that receives donor funding for the conservation of black rhinos. However poaching in recent years has reduced the black rhino population from 55 to 22 and jeopardized donor funding. The conservancy owners are being harassed by some members of the local population, who are demanding a revenue share in the conservancy. Claimant C has stopped his safari business as he claimed invaders had poached all of the game. Claimant C had been protesting the acquisition through Zimbabwe's courts. After receiving permanent residency in South Africa, Claimant C was laying the groundwork to emigrate but, at last contact, was unable to secure the proper documentation to move personal belongings out of Zimbabwe. Claimant has not responded to inquiries from Post.

¶8. a. Claimant D  
b. 2002

c. Claimant D's rural wildlife-based property, which was transferred from a Zimbabwean spouse to a trust benefiting the couple's two US citizen children, is located in the district of Hwange. Claimant D used the 420-hectare property primarily for hunting and photographic safari purposes. The property was allocated to a Zimbabwean settler who has done nothing with the land. Claimant D left the farm on October 1, 2002 and the settler kicked off all of Claimant D's employees by March 2004. Claimant D has asked the Embassy not to pursue this case through official channels. In June 2007, the Claimant informed Post that there had been no developments in the claim in the past year. The Claimant believes that the settler who received the farm has vacated the property and it is now uninhabited.

¶9. a. Claimant E

b. N/A

c. Claimant G has received a Section 5 notice but is still in possession of the property in the district of Bikita in southern Zimbabwe. This property is dedicated to a 26-farm wildlife conservancy containing both black and white rhinos. The GOZ has announced plans to implement a land tenure scheme whereby title of conservancies reverts to the State, which then grants a 25-year lease to each property owner. In return, the current owners would agree to indigenize their businesses through shareholder equity. The 25-year leases would be automatically renewable, but not transferable. Ambassador Dell raised Claimant E's case with Environment and Tourism Minister Francis Nhema, who indicated that he would like to see Claimant E and the rest of the conservancy join the Trans-Frontier Conservation Area (a park linking tracts in Zimbabwe, Mozambique, and South Africa). Claimant E informed us in June 2007 that he, along with other conservancy members, continues to negotiate a solution with the GOZ.

¶10. a. Claimant F

HARARE 00000543 003 OF 003

b. 2004

c. Claimant F owns a 996-hectare farm in his American wife's name after Claimant F's son ran the farm into bankruptcy. Claimant F does not have a Zimbabwe Investment Certificate. Claimant F was able to move much of his irrigation and farm equipment off the property prior to losing control of the farm but lost 170 head of cattle. Settlers first arrived on the farm in 2000 but Claimant F maintained good relations with them and local police, and he continued to have access to the farm until 2004. From May to July 2004, Claimant F received Section 5 and Section 8 notices of acquisition and asked the Embassy to write a diplomatic note protesting the intended acquisition. The Embassy did so and received a pro forma response. Shortly thereafter, Claimant F was no longer afforded access to the farm and was effectively dispossessed of the land. There have been no further developments on the ground and Claimant F decided not to use the courts as the GOZ was not enforcing judgments adverse to its own interests. In June 2007, Claimant F informed Post that there had been no change in the status of the claim in the past year.

¶11. a. Claimant G

b. N/A

c. Registered in 1997, Claimant G is a subsidiary trust of a California-registered Non-Profit Religious Organization that planned to establish an environmental and life skills teaching center operating near Kadoma. Claimant G purchased the 160-hectare parcel in 1999 but has been unable to obtain a proper transfer of title. Nonetheless, in addition to having exclusive use of the land since 1999, Claimant G has the Agreement of Sale as proof of purchase. In November 2004, Claimant G received a Section 5 initial notice of acquisition, to which it responded in court as well as by correspondence to various Zimbabwean government entities. Claimant G also received a Section 8 notice of immediate acquisition, which it is contesting in the courts. Post has had no contact with Claimant G in the past year.

¶12. a. Claimant H

b. 2006

c. Claimant H informed the Embassy in April 2006 that he was the owner, along with his non-American citizen parents, of a 33 hectare plot in Nyanga, Eastern Highlands. Claimant H resides in Mozambique; his parents reside on the Nyanga site, where they grow apples on part of the plot and sell them in the local market. Although the plot is registered as a residential and not agricultural property, it was gazetted (Section 5 notice of acquisition) for takeover. In April 2007, the Claimant informed Post that his parents had been forced off the land. It is becoming increasingly clear, however, that the Amcit is a minority share holder and his parents, who are not Amcits, are the majority landowner.